



George R. Hodges

George R. Hodges
United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
SHELBY DIVISION

IN RE:

CAFFELL ENTERPRISES,

Debtor.

§
§
§
§
§

CASE NO.: 10-40602
CHAPTER 11

**FIFTH INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL
PURSUANT TO 11
U.S.C. §363 AND SCHEDULING FINAL HEARING**

On July 21, 2010, Caffell Enterprises, Inc. (the "Debtor") filed an Emergency Motion for Authority to Use Cash Collateral Pursuant to 11 U.S.C. § 363(c)(2)(B) (the "Motion"). The Debtor requested that an expedited hearing be scheduled on the Motion and an Interim Order on the Motion was entered by this Court on July 26, 2010 (the "First Interim Order") authorizing the use of Cash Collateral (as defined below) on a preliminary basis for the period commencing as of the date of the bankruptcy filing through August 11, 2010.

A second Interim Order on the Motion (the "Second Interim Order") was entered by this Court on August 18, 2010 authorizing the use of Cash Collateral (as defined below) on a preliminary basis for the period commencing as of the date of the bankruptcy filing through September 15, 2010.

A third Interim Order on the Motion (the “Third Interim Order”) was entered by this Court on September 21, 2010 authorizing the use of Cash Collateral (as defined below) on a preliminary basis for the period commencing as of the date of the bankruptcy filing through October 13, 2010.

A fourth Interim Order on the Motion (the “Fourth Interim Order”) was entered by this Court on October 19, 2010 authorizing the use of Cash Collateral (as defined below) on a preliminary basis for the period commencing as of the date of the bankruptcy filing through October 27, 2010.

A hearing on the Motion came before the Court on October 27, 2010 at which counsel for the Debtor, Richard S. Wright, appeared and announced that the Debtor and the Bank had agreed to the entry of a fifth Interim Order on the Motion (the “Fifth Interim Order”). Ann Dornblazer with the Bankruptcy Administrator’s office appeared at the hearing and reported their concurrence with the terms of this Fifth Interim Order to the Court. Based upon the Debtor’s proffer at the October 27, 2010 Hearing on the Motion and the consent of the Debtor, the Bank and the Bankruptcy Administrator, Debtor's continued use of Cash Collateral on an interim basis in accordance with the terms and conditions set forth herein appears to be in the best interest of the estate and its creditors; accordingly, it is hereby **ORDERED** that:

1. The Debtor may continue to use Cash Collateral during the period beginning October 27, 2010, and continuing through the date of the final hearing on the Motion in the ordinary course of business for the expenses specified in a revised budget attached hereto and incorporated as if set forth in full herein as **Exhibit A**.

2. The Debtor's authority to use Cash Collateral in accordance with the terms and conditions set forth herein shall terminate at 11:59 p.m. on the date of the Final Hearing, unless the Court further authorizes the use of Cash Collateral at the final hearing on the Motion or upon mutual consent of the parties.

3. The Bank is entitled to review, inspect and appraise its collateral at any time during regular business hours upon reasonable, prior notice to the Debtor of the date, location and time of the planned inspection and the Debtor is directed to cooperate with same.

4. A final hearing on the use of Cash Collateral shall be held before the undersigned on December 1, 2010 at 9:30 a.m. EDT ("Final Hearing"), at the United States Bankruptcy Court, Charles Jonas Federal Building, 401 West Trade Street, Courtroom 126, Charlotte, North Carolina 28202.

5. All other terms and conditions set forth in the First Interim Order shall continue in full force and effect.

6. Failure of the Debtor to comply with the conditions set forth in the First Interim Order, the Second Interim Order, the Third Interim Order, the Fourth Interim Order and/or this Fifth Interim Order shall be cause for the Bank to immediately seek relief from this Court by emergency and/or telephonic hearing.

7. The Debtor is directed to serve a copy of this Order upon the appropriate parties in interest within three (3) days after entry and shall file a certificate of service specifying the manner and method of service.

This Order has been signed electronically.
The Judge's signature and court's seal
appear at the top of the Order.

United States Bankruptcy Court

WE CONSENT:

/s/ Richard S. Wright

Richard S. Wright

NC State Bar # 24622

Hamilton Moon Stephens Steele & Martin, PLLC

201 South College Street – Suite 2020

Charlotte, NC 28244

Counsel for the Debtor

/s/ Linda W. Simpson

Linda W. Simpson

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United States Bankruptcy Administrator

/s/ Mark A. Pinkston

Mark A. Pinkston

NC State Bar # 16789

The Van Winkle Law Firm

11 North Market St.

Asheville, NC 28801

Counsel for Carolina First Bank

DMS:4833-6259-2007v1|23776-23776-0225|11/12/2010

7:45 AM
Accrual BasisGeppetto Kitchens
Profit & Loss Budget Overview
Through Dec. 4, 2010

	Week of Nov 1, 10	Week of Nov 7, 10	Week of Nov 14, 10	Week of Nov 21, 10	Week of Nov 28, 10	TOTAL Nov 1 - Dec. 4, 10
Total Income	60,000.00	60,000.00	60,000.00	60,000.00	60,000.00	300,000.00
Cost of Goods Sold						
Cabinets and Accessories						
Accessories	530.93	530.93	530.93	530.93	530.93	2,654.65
Cabinet Doors And Drawers	3,500.00	3,500.00	3,500.00	3,500.00	3,500.00	17,500.00
Glides	2,059.22	2,059.22	2,059.22	2,059.22	2,059.22	10,296.10
Hinges	394.36	394.36	394.36	394.36	394.36	1,971.80
Total Cabinets and Accessories	6,484.51	6,484.51	6,484.51	6,484.51	6,484.51	32,422.55
Commission	5,640.00	5,640.00	5,640.00	5,640.00	5,640.00	28,200.00
Freight						
Geppetto Outbound Freight	461.60	461.60	461.60	461.60	461.60	2,308.00
Freight - Other	280.00	280.00	280.00	280.00	280.00	1,400.00
Total Freight	741.60	741.60	741.60	741.60	741.60	3,708.00
Shop Materials						
Lumber	2,095.38	2,095.38	2,095.38	2,095.38	2,095.38	10,476.90
Misc.	138.09	138.09	138.09	138.09	138.09	690.45
Particle Board	921.74	921.74	921.74	921.74	921.74	4,608.70
Plywood	8,300.74	8,300.74	8,300.74	8,300.74	8,300.74	41,503.70
Total Shop Materials	11,455.95	11,455.95	11,455.95	11,455.95	11,455.95	57,279.75
Shop Supplies	2,465.03	2,465.03	2,465.03	2,465.03	2,465.03	12,325.15
Shop Wages	9,675.00	9,675.00	9,675.00	9,675.00	9,675.00	48,375.00
Office Salaries	10,267.64	10,267.64	10,267.64	10,267.64	10,267.64	51,338.20
Total COGS	46,729.73	46,729.73	46,729.73	46,729.73	46,729.73	233,648.65
Gross Profit	13,270.27	13,270.27	13,270.27	13,270.27	13,270.27	66,351.35
Expense						
Bank Charges and Loan Fees	0.00	0.00	0.00	0.00	0.00	0.00
Building & Grounds Maint.						
Building & Grounds Maint. - Other	0.00	0.00	0.00	0.00	0.00	0.00
Total Building & Grounds Maint.	0.00	0.00	0.00	0.00	0.00	0.00
Building Rentals						
D & H, LLC	0.00	0.00	0.00	0.00	0.00	0.00
Total Building Rentals	0.00	0.00	0.00	0.00	0.00	0.00
Software Licensing	0.00	0.00	0.00	0.00	0.00	0.00
Garbage Disposal	0.00	0.00	0.00	0.00	0.00	0.00
Legal and Professional	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	20,000.00
Office Supplies	187.11	187.11	187.11	187.11	187.11	935.55
Payroll Expenses						
Salaries Corporate	1,483.38	1,483.38	1,483.38	1,483.38	1,483.38	7,416.90
Payroll Expenses - Payroll Liabilities	2,269.83	2,269.83	2,269.83	2,269.83	2,269.83	11,349.15
Total Payroll Expenses	3,753.21	3,753.21	3,753.21	3,753.21	3,753.21	18,766.05
Postage & UPS	64.00	64.00	64.00	64.00	64.00	320.00
Property Insurance	0.00	0.00	0.00	0.00	0.00	0.00
Repairs and Maintenance						
Equipment Repairs	765.00	765.00	765.00	765.00	765.00	3,825.00
Grounds Repairs	0.00	0.00	0.00	0.00	0.00	0.00
Repairs and Maintenance - Other	10.31	10.30	10.31	10.30	10.30	51.52
Total Repairs and Maintenance	775.31	775.30	775.31	775.30	775.30	3,876.52
Shop Equipment Expense	73.59	73.59	73.59	73.59	73.59	367.95
Telephone	657.55	657.55	657.55	657.55	657.55	3,287.75
Travel (Truck Drivers Deliveries)						
Meals	67.00	67.00	67.00	67.00	67.00	335.00
Travel	235.00	235.00	235.00	235.00	235.00	1,175.00
Total Travel	302.00	302.00	302.00	302.00	302.00	1,510.00
Utilities	1,172.00	1,172.00	1,172.00	1,172.00	1,172.00	5,860.00
Vehicle Expense (Gas And Oil)	703.58	703.58	703.58	703.58	703.58	3,517.90
Vehicle Repairs & Maint.	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle Tags & Inspections	0.00	0.00	0.00	0.00	0.00	0.00
Workmen's Comp.	1,355.87	1,355.87	1,355.87	1,355.87	1,355.87	6,779.35
Total Expense	13,044.22	13,044.21	13,044.22	13,044.21	13,044.21	65,221.07
Net Ordinary Income	226.05	226.06	226.05	226.06	226.06	1,130.28
Net Income	226.05	226.06	226.05	226.06	226.06	1,130.28

EXHIBIT

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